

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HJR 72**

March 3, 2011

**SUMMARY OF BILL:** Proposes amending Article II, Section 24 of the Tennessee Constitution to establish a Constitutional Spending Limitation to restrict the rate of growth of state tax revenue expenditures and to require at least a two-thirds vote of each house in order to approve any expenditure made in excess of such spending limit during any fiscal year. Requires the General Assembly to enact a law specifying the dollar amount and rate by which the limit will be exceeded for the fiscal year. Requires all state tax revenue collections for the fiscal year that are in excess of the limitation and any duly enacted exception to the limit, to be deposited into the Reserve for Revenue Fluctuations until the reserve equals seven percent of estimated state tax revenue expenditures for the fiscal year. Proposes amending Article II, Section 24 of the Tennessee Constitution to require bills with a mandatory local government cost to specify the state-share portion of the cost. Resolves that the foregoing amendment be referred to the 108<sup>th</sup> General Assembly and that this resolution be published in accordance with Article XI, Section 3 of the Tennessee Constitution.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$18,000/One-Time**

Assumptions:

- A one-time cost of \$18,000 to the Secretary of State to print notice of the proposed amendment in statutorily designated newspapers as required by this resolution.
- According to the Secretary of State, the statewide average cost to publish the last three constitutional amendments was \$17,700.
- Because Article XI, Section 3 of the Constitution requires publication of the resolution before the next legislative election, this publication would occur in the spring of 2012.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/rct